

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH CENTRAL RURAL)	
TELEPHONE COOPERATIVE CORPORATION,)	
INC. FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO CON-)	
STRUCT LOCAL CABLE NETWORK)	CASE NO. 89-367
GLASGOW/LUCAS AND REDISTRIBUTE)	
CENTRAL OFFICE EQUIPMENT ADDING)	
LINE CONCENTRATORS WITH LIGHTWAVE)	
TRANSMISSION)	

O R D E R

On December 11, 1989, South Central Rural Telephone Cooperative Corporation, Inc. ("SCRTC") filed its application with the Commission seeking a Certificate of Public Convenience and Necessity to construct and redistribute its facilities in the Glasgow/Lucas exchanges.

SCRTC is a non-stock, non-profit membership cooperative with its principal office in Glasgow, Kentucky.

According to SCRTC's application, the existing plant facilities in the Glasgow and Lucas exchanges were constructed about ten years ago. The subscriber growth, commercial development, need for reinforcement of inter-office trunk routes, deterioration of air-core buried cable, heavily loaded joint-use aerial lines, highway reconstruction, and telephone industry changes and technological advances necessitate these proposed constructions.

SCRTC proposes to divide the Glasgow/Lucas exchange areas into a number of smaller wire-centers in order to limit the length of subscriber line required to serve the furthest subscribers. Existing digital switching equipment will be reused in four remote switch locations. Seventeen digital line concentrators will be established with direct digital interface to the Glasgow host switch. These modifications will reduce the number of lines served directly from the host switch and will thereby eliminate the requirement for an increase of large aerial feeder cables. Therefore, the necessity of rebuilding joint-use aerial pole lines will be avoided and will allow removal of old congested multiple large cables within the city of Glasgow. The new wire-centers will be supported with lightwave transmission fiber optics.

The estimated cost of these proposed constructions is \$4,326,720. This cost will be funded with the remaining \$3,263,255 from an unencumbered Rural Electrification Administration loan¹ and the balance from general funds.

In its application, SCRTC emphasizes that the capital necessary to finance the proposed constructions will not materially affect the existing financial condition of SCRTC nor as

¹ Case No. 8620, The Application of South Central Rural Telephone Cooperative Corporation, Inc., Glasgow, Kentucky 42141; I. For An Order Approving And Authorizing It to Borrow \$10,710,000.00 From the Rural Electrification And Telephone Revolving Fund And Issue Its Note And Mortgage Or Other Security Instruments To Secure The Same, II. For A Certificate of Convenience And Necessity To Construct Additional Telephone Lines And Other Facilities.

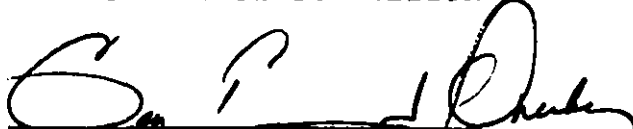
a result would it be necessary to increase rates to its subscribers.


The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that SCRTC should be authorized to proceed with its proposed constructions.

IT IS THEREFORE ORDERED that SCRTC shall be and hereby is granted a Certificate of Public Convenience and Necessity to construct and redistribute its facilities in the Glasgow/Lucas exchanges as set forth in its application and this Order.

Done at Frankfort, Kentucky, this 2nd day of March, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director